Task force for foreign telecasting companies

1377. SHRI RAMA MUNI REDDY SIRIGIREDDY: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government are considering to set up a task force to look into the foreign telecasting companies in connection with their non-resident taxation;

(b) if so, the details thereof; and

(c) the details of companies which have refused to pay citing reasons that they do not have any permanent establishment in India?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Yes Sir. The Government of India has constituted an Emerging Issues Task Force headed by Director General of Income Tax (International Taxation). The issue of taxation of foreign telecasting companies is one of the terms of reference of the Task Force. The Task Force is yet to submit its recommendations on this issue.

(c) In term of the Income Tax Act, the foreign telecasting companies are liable to pay taxes and these taxes are being collected in the form of 'tax withholding' at the time remittances being made to the foreign companies. However, most of these companies are disputing their tax liability on the ground that they do not have a permanent establishment in India.

Promotion of silk industry in Karnataka

1378. SHRIMATI PREMACARIAPPA: Will the Minister of FINANCE be pleased to state:

(a) the role being played by five Kamataka-based Public Sector Banks to promote the silk and silk industry in the State, bank-wise;

(b) whether each bank has special plans in this regard; and

(c) if so, the details thereof, bank-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) Each of the five Karnataka based Public Sector Banks have special plans to promote silk and silk industry in Karnataka.